

GINA M. GUILLEY

**MILLER
ISAR** INC.
REGULATORY CONSULTANTS



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ORIGINAL

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Via Overnight Delivery

July 14, 2008

Docket Control Center
Arizona Corporation Commission
1200 W. Washington Street, Room 108
Phoenix, Arizona 85007-2996

Re: Consumer Telcom, Inc. Docket No. T-20559A-07-0613

Dear Sir/Madam:

Enclosed are an original and thirteen (13) copies of Consumer Telcom, Inc.'s responses to Staff's first set of data requests to Consumer Telcom, Inc. in the above-referenced matter.

Please acknowledge receipt of this filing by file-stamping and returning the additional copy of this transmittal letter in the self-addressed, postage-paid envelope provided for this purpose. Questions may be directed to me or Andrew Isar.

Sincerely,

MILLER ISAR, INC.

Gina M. Guiley

Regulatory Consultants to
Consumer Telcom, Inc.

Enclosures

Arizona Corporation Commission
DOCKETED

JUL 15 2008

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**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
CONSUMER TELCOM, INC.
DOCKET NO. T-20559A-07-0613**

Staff Data Request STF-1.1

Please provide audited financial statements for the twelve months ending December 31, 2007.

Response

Applicant does not require audited financial statements in the normal course of its operations, nor are audited financial statements required by any entity or regulatory agency that oversees Applicant's operations. In lieu of audited financial statements, Applicant provides its most current financial statements.

While Applicant acknowledges that the Commission does not routinely grant protection of confidential financial statements, Applicant respectfully requests that its proprietary financial statements be disclosed only to those members of the Commission with a need to know for purposes of completing the Company's pending application.

11:26 AM
07/02/08
Accrual Basis

Consumer Telcom, Inc.
Profit & Loss
January through June 2008

Jan - Jun 08

Ordinary Income/Expense	
Income	
Income	1,413,000.00
Sales	90,475.56
Total Income	1,503,475.56
Gross Profit	1,503,475.56
Expense	
ADP Fees	7,153.79
Bank Service Charges	888.79
DoNotCall	750.00
Filing Fees	230.00
Insurance	
Medical	2,514.00
Work Comp	8,095.88
Insurance - Other	2,550.00
Total Insurance	13,159.88
Licenses and Permits	1,125.00
Outside Services	1,877.71
Phone	3,076.43
Postage and Delivery	6,861.86
Professional Fees	
Accounting	4,943.47
Legal	16,410.05
Total Professional Fees	21,353.52
refund	299.24
Regulatory Fees	2,475.00
Rent	1,470.00
Taxes	
Arkansas	555.88
Federal	4,000.00
Georgia	88.05
Maryland	10,509.00
NECA	926.60
New York	342.17
oregon	100.00
payroll	241,025.27
Penn	97,015.30
TX	33.23
USAC	172,511.20
VA	770.00
Wyoming	0.00
Total Taxes	527,876.70
U.S.F. Expense	2,337.99
Wages	889,106.09
Total Expense	1,480,042.00
Net Ordinary Income	23,433.56
Net Income	23,433.56

11:31 AM
07/02/08
Accrual Basis

Consumer Telcom, Inc.
Balance Sheet
As of June 30, 2008

	Jun 30, 08
ASSETS	
Current Assets	
Checking/Savings	
Union Bank of CA	8,279.86
Union Bank Payroll	15,549.60
Total Checking/Savings	23,829.46
Accounts Receivable	
Accounts Receivable	
A/R-K7	1,503,546.83
Total Accounts Receivable	1,503,546.83
Allowance for Bad Debts	-44,999.32
Total Accounts Receivable	1,458,547.51
Total Current Assets	1,482,376.97
Fixed Assets	
Accumulated Drpreciation	-16,515.03
Auto-Lexus	46,092.92
Computer Hardware	4,500.00
Softwares	9,710.03
Total Fixed Assets	43,787.92
TOTAL ASSETS	1,526,164.89
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Expenses	382,596.25
State Income Tax Payable	-11,562.00
Total Other Current Liabilities	371,034.25
Total Current Liabilities	371,034.25
Long Term Liabilities	
Note Payable-A	49,684.00
Note Payable-D	1,100,000.00
Total Long Term Liabilities	1,149,684.00
Total Liabilities	1,520,718.25
Equity	
Common Stock	1,000.00
Paid in Capital	6,000.00
Retained Earnings	-93,487.92
Net Income	91,934.56
Total Equity	5,446.64
TOTAL LIABILITIES & EQUITY	1,526,164.89

**ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
CONSUMER TELCOM, INC.
DOCKET NO. T-20559A-07-0613**

Staff Data Request STF-1.2

Please review, make appropriate corrections and file replacement tariff pages for Original Sheet No. 26, 27, and 28 to Consumer Telcom's proposed Arizona C.C. Tariff No. 1. Staff has identified the intrastate minimum rates listed on those pages to be higher than the intrastate maximum rates for Commercial Rate Plans I-VI..

Response

The replacement tariff pages for Original Sheet No. 26, 27, and 28 to Consumer Telcom's proposed Arizona C.C. Tariff No. 1 are attached. When prepared, the maximum and minimum rate headings were inadvertently reversed. This has been corrected.

SECTION 4 - RATES AND CHARGES

4.1. SERVICE CHARGES**4.1.1. "1 Plus" Commercial Long Distance Service – Switched****1. Consumer Telcom Commercial Rate Plan I**

This plan is offered to Customers with call volumes of less than \$200.00 per month and provides for an eighteen (18) second minimum call duration and six (6) second additional billing increments.

	DAY		EVENING		NIGHT	
	Initial 18 Sec.	Add'l 6 Sec.	Initial 18 Sec.	Add'l 6 Sec.	Initial 18 Sec.	Add'l 6 Sec.
Intrastate max.	\$0.50	\$0.060	\$0.40	\$0.050	\$0.40	\$0.050
Intrastate min.	\$0.01	\$0.001	\$0.01	\$0.001	\$0.01	\$0.001

Monthly Access Fee: \$3.78

2. Consumer Telcom Commercial Rate Plan II

This plan is offered to Customers with call volumes of more than \$200.00 per month and provides for an eighteen (18) second minimum call duration and six (6) second additional billing increments.

	DAY		EVENING		NIGHT	
	Initial 18 Sec.	Add'l 6 Sec.	Initial 18 Sec.	Add'l 6 Sec.	Initial 18 Sec.	Add'l 6 Sec.
Intrastate max.	\$0.50	\$0.060	\$0.40	\$0.050	\$0.40	\$0.050
Intrastate min.	\$0.01	\$0.001	\$0.01	\$0.001	\$0.01	\$0.001

Monthly Access Fee: \$3.78

Issued: October 22, 2007

Effective Date:

Issued By:

Joseph A. Nicotra, President
 Consumer Telcom, Inc.
 701 N. Green Valley Parkway, Suite 200
 Henderson, Nevada, 89014
 Telephone: 800.872.3811

SECTION 4 - RATES AND CHARGES, Continued**4.1. SERVICE CHARGES, Continued****4.1.1. "1 Plus" Commercial Long Distance Service – Switched, Continued****3. Consumer Telcom Commercial Rate Plan III**

This plan is offered to Customers with call volumes of less than \$200.00 per month and provides for one (1) minute billing increments.

	DAY		EVENING		NIGHT	
	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute
Intrastate max.	\$0.60	\$0.060	\$0.50	\$0.060	\$0.50	\$0.060
Intrastate min.	\$0.01	\$0.001	\$0.01	\$0.001	\$0.01	\$0.001

Monthly Access Fee: \$3.78

4. Consumer Telcom Commercial Rate Plan IV

This plan is offered to Customers with call volumes of more than \$200.00 per month and provides for one (1) minute billing increments.

	DAY		EVENING		NIGHT	
	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute	Initial Minute	Add'l Minute
Intrastate max.	\$0.50	\$0.060	\$0.40	\$0.050	\$0.40	\$0.050
Intrastate min.	\$0.01	\$0.001	\$0.01	\$0.001	\$0.01	\$0.001

Monthly Access Fee: \$3.78

Issued: October 22, 2007

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SECTION 4 - RATES AND CHARGES**4.1. SERVICE CHARGES, Continued****4.1.1. "1 Plus" Commercial Long Distance Service – Switched, Continued****5. Consumer Telcom Commercial Rate Plan V**

This plan is offered to Customers with call volumes of less than \$200.00 per month and provides for thirty (30) second billing increments.

	DAY		EVENING		NIGHT	
	Initial 30 Sec.	Add'l 30 Sec.	Initial 30 Sec.	Add'l 30 Sec.	Initial 30 Sec.	Add'l 30 Sec.
Intrastate max.	\$0.50	\$0.060	\$0.40	\$0.050	\$0.40	\$0.050
Intrastate min.	\$0.01	\$0.001	\$0.01	\$0.001	\$0.01	\$0.001

Monthly Access Fee: \$3.78

6. Consumer Telcom Commercial Rate Plan VI

This plan is offered to Customers with call volumes of more than \$200.00 per month and provides for thirty (30) second billing increments.

	DAY		EVENING		NIGHT	
	Initial 30 Sec.	Add'l 30 Sec.	Initial 30 Sec.	Add'l 30 Sec.	Initial 30 Sec.	Add'l 30 Sec.
Intrastate max.	\$0.50	\$0.060	\$0.40	\$0.050	\$0.40	\$0.050
Intrastate min.	\$0.01	\$0.001	\$0.01	\$0.001	\$0.01	\$0.001

Monthly Access Fee: \$3.78

Issued: October 22, 2007

Effective Date:

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DOCKET NO. T-20559A-07-0613**

Staff Data Request STF-1.3

Please provide an update to item A-19 of Consumer Telcom's Application if that information has changed since the Application was submitted.

Response

Since Applicant's Application was filed with the Commission, Applicant has been granted authority to provide intrastate telecommunications services in the States of Alabama, Colorado, Delaware, Kansas, Louisiana, Maine, Michigan, North Dakota, New Hampshire, South Dakota, and Vermont.